

golden parachutes for Mr. Mudd and Mr. Syron.

However, there is more that needs to be done. Last Sunday, Secretary Paulson called me to explain what was going to happen with Fannie Mae and Freddie Mac.

I told him I didn't know what else he could do. To allow these two housing giants to fail could literally cause reverberations across the economy, hurting many innocent companies, shareholders, and workers. I thought we had to step in. We had no choice. But it is not enough. To ride to the rescue of Bear Stearns, as our Government has, or to the rescue of Fannie Mae and Freddie Mac, as we have, is, of course, an effort to avert a worse disaster. But there are literally hundreds of thousands of small-scale disasters taking place every day, which still evidence a serious problem in the American economy. I am speaking, of course, of foreclosures. Despite the passion this administration has for making sure corporations survive bad times, they don't have a similar passion for families facing foreclosure.

The letter I have written to the Treasury Secretary calls on him, as part of this restructuring of Fannie Mae and Freddie Mac, to at least consider a helping hand for those facing foreclosure.

When IndyMac Federal Bank was taken over by the FDIC in July, the FDIC instituted a systematic plan to refinance troubled mortgages to help those homeowners avoid foreclosure. It set up strict criteria for those who would be eligible. It would not help speculators but those who had their homes at stake. It initiated restructurings for all of the mortgages that qualified. However, when it comes to the other mortgages across America, I am afraid there is a sad story to tell, where there has been a failure to refinance, a failure to create opportunity for people to stay in their homes. Foreclosure is a disaster for any family facing it, but it is also a disaster for their neighbors. The value of my home in Springfield, IL, has diminished because some of my neighbors have gone through foreclosure. Of course, it affects the overall housing market. It affects whether people will buy or build homes. Unless this cloud is removed from our housing market, then one of the pillars of the American economy has been shaken and may crumble.

That is why we have called on the Treasury Department and this administration to step in as part of restructuring Fannie Mae and Freddie Mac to avert foreclosures. Now, the Mortgage Bankers Association—the group that brought us this subprime mortgage disaster—has been arguing not just for months, but for years, that voluntary efforts by financial institutions are enough, that these banks will come forward and help these families. But there is no evidence of that whatsoever; foreclosures still are occurring at a record historic rate.

We cannot expect to emerge from this weak and failing economy until we address the root cause, which is the failure of the housing market. The Bush economic and tax policies have brought us to this disastrous moment—this moment where we have a Tax Code that rewards the wealthiest instead of helping middle-income families, a moment where the administration rushes to the rescue of the big banks but forgets American families who are struggling to keep a roof over their heads, struggling to protect the only asset they have in life against an economy that is making it difficult for them to survive.

Foreclosures continue to skyrocket. We have set a new record high in the last quarter, according to the Mortgage Bankers' own data. The Hope Now Alliance, which is run by bankers with the support of this administration, is supposed to be riding to the rescue. But they don't require banks to do anything to help homeowners, but just gives them "guidelines." Let me tell you something: Guidelines will not save a home. Guidelines will not avoid foreclosure. Guidelines won't keep you out of bankruptcy. That is what many homeowners are facing.

We tried, unsuccessfully, to convince this Senate and this administration to allow those homeowners facing bankruptcy and foreclosure to have one last chance in the bankruptcy court, to let the courts sit down with the bank and the family and try to find a way to keep them in their home. It was rejected. The "sanctity of the contract" is what we were told, we cannot violate the sanctity of the mortgage contract. Why, that would be unconscionable. It would shake the very foundations of the private sector economy in America.

But what happened last week? What happened to the sanctity of the contract when our Government and taxpayers rode to the rescue of Fannie Mae and Freddie Mac? We decided there was a greater good. The greater good was stabilizing this economy, averting a disaster if these two agencies failed. We said we would step in and do something extraordinary for the good of America. Why is it we will step in with billions of dollars for the good of America when it comes to major banks and major financial institutions but consider it anathema, unacceptable, heretical to step in when it comes to helping a family save a home?

That is the difference in the thinking here. When it comes to the priorities of this administration in Washington, those at the top, whether it is the banks or the CEOs of Fannie Mae and Freddie Mac, they always come out fine. They are always going to find themselves at the end of the day quite comfortable. But when it comes to helping working families—middle-income families who are struggling to get by—the policies of this administration have not been kind.

This Hope Now Alliance still won't report to the public how many families

are receiving real mortgage relief, through a reduction in what is owed. We can assume that not many are getting help. Now that Fannie and Freddie have been taken over by the Government, we can do something about it. These companies need to systematically restructure mortgages so we can prevent as many foreclosures as possible. Everyone wins if we do that. Families get to stay in their homes, taxpayers spend less money covering foreclosure losses, Fannie Mae and Freddie Mac reduce their future exposure to failed loans, and it is the right and smart thing to do. As our economy continues to struggle, we should take advantage of every opportunity we have to step in and help.

Saving the taxpayers from overpaying failed CEOs and helping families stay in their homes and avoid foreclosure are two such opportunities. In this letter, I have urged the administration to seize both opportunities.

On November 4, the American voters will have a chance to speak to the record of this administration, to decide whether we are going to make the change in Washington that is needed to steer a different course, to bring, I hope, a stronger economy. Many of us believe the strength of that economy and future of that economy is with the working families of this country, the middle-income families who struggle every day, pay their taxes, try to keep gasoline and groceries available, pay for college education and health expenses, and are having a hard time getting by. There hasn't been enough sensitivity in the actions and policies of this Congress or this administration when it comes to these families.

The fact is we have a chance in this election to change things in Washington, to bring some new thinking, some new priorities, and some new values. Those values don't include multimillion dollar golden parachutes for failing CEOs, or putting banks as a priority above average working people who have always been the strength of this country. I certainly hope we have that opportunity and seize it on November 4.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Montana is recognized.

ENERGY

Mr. TESTER. Mr. President, I rise today to visit about an issue we have all been talking about for some time: energy. In fact, truth be known, we have been talking about energy for over 30 years in this country, since the first energy crisis in the early 1970s.

Over the August recess, I had the opportunity to go around the State of Montana—I logged hundreds of miles on my vehicle—and talk with Montanans virtually from all over the State about energy and our Nation's energy future. Every visit to the great State of Montana is another reminder

to me that many of the best ideas—if not all of the best ideas—are found outside of Washington, DC. From a dairy farm in western Montana that converts cow manure into enough electricity to power that farm and its neighbors through hydrogen fuel cells that keep the lights on in college classrooms, to a generator that turns tree bark into electricity, Montanans are finding innovative ways to meet their energy needs. That can not only help Montana, but it can help the whole country's energy future.

It is no wonder, as I traveled around the State, as we see in Montana, gas prices a little under \$4 a gallon, and as we see winter coming in and the potential of a cold winter and the potential for high heating oil and natural gas prices, that Montanans are very concerned about their energy future.

This fall, over the next few weeks, we have an opportunity to address this country's energy future both in the short term and in the long term. Hopefully, we will address it. Hopefully, we can put the partisanship away. Hopefully, we will be more concerned about energy for this country's citizenry than about who is going to win the next election.

Back in 1978, one of the other times we had energy problems in this country, Montana put out this book. It says 1978 on the bottom, and it is called "Montana's Energy Almanac." This book contains information about oil and gas and coal. It also contains information about electricity transmission, solar power, geothermal, renewable energy, and a myriad of other issues. This book could have been written in 2008. The fact is we had a format to move forth with this country's energy future, and it didn't happen. We had the ability to develop a long-term energy plan for this country, and it didn't happen—30 years ago, it didn't happen; a generation ago, it didn't happen.

We need to make it happen this fall. It is critically important for this country. It is critically important for this Nation's security. As we come forth with an energy plan over the next few weeks, it will include drilling, make no mistake about it, and it should. Also remember this: It is not going to significantly decrease the prices at the pump right now. That doesn't mean it is the wrong thing to do. It is the right thing to do, because the truth is that if we can take our reliance off of places such as Venezuela, Russia, and Saudi Arabia, that is a good thing. You also must note that, right now, we are drilling. In fact—and I have stated this before on the floor—right now, it would be difficult to find a rig in the United States to punch a hole for gas or oil, because they are already doing that. If you are lucky enough to find a rig, you would be hard pressed to find the casing to put in that hole once it is drilled.

The truth is we need to drill, and how much we drill will probably depend upon the availability of rigs and cas-

ings, and right now they are being used up. Drilling is part of the plan. We also need to invest in renewables, because drilling should be a bridge. We talk about bridges, but we never talk about where that bridge is going to go. It will go to nowhere unless we invest in renewables such as solar, wind, geothermal, biofuels, and cellulosic ethanol, and it is critically important for our long-term energy future. So we need to invest in those things by a myriad of ways.

My colleague in the Senate, MAX BAUCUS, has a bill that will do exactly that. That bill needs to be a part of the Energy plan to invest in solar, wind, geothermal, biofuels, cellulosic ethanol—the list goes on and on—because there is tremendous opportunity out there. We need to invest in R&D in clean coal, battery technology, hydrogen technology, high-mileage cars, hybrids, and electric. We need to encourage innovation in R&D. It will happen because it is happening on the ground in places such as Montana now. We need to encourage the innovation.

As this book said on all these issues, we also need to invest in transmission. We need to invest in the grid. If we are going to get electricity to consumers in a way that makes sense, in a way that is efficient and cost-effective, we need to invest in transmission.

Finally, and potentially the most important of all these points, we need to eliminate the redtape. A few years ago, we eliminated the redtape for gas and oil companies. We need to do the same thing for renewable energy. The agencies have been understaffed and, quite frankly, it occupies a lot of time now to get a project through.

We have a Montana-Alberta tie line project to move electricity from Montana to Alberta and from Alberta back to Montana with renewable energy on that line. It has been 3 years in progress. The redtape needs to be eliminated.

I will be introducing a bill to cut through the redtape and encourage these kinds of renewable energy projects because, for the long-term future of this country, it is absolutely what we need to do.

In closing, I wish to say this: Oil is hovering around \$100 a barrel right now. It has backed off somewhat. Back in the seventies, we saw oil peak and then back off, and this book was put on the shelf and never looked at again, and probably every State in the Union had a book such as this.

The truth is, we have an opportunity right now to address this issue from a short-term and a long-term standpoint. This issue is not going to go away. We have 3 percent of the reserves. We use 25 percent of the oil. We need to figure out not only ways to maximize our own oil capacity but also how we are going to take renewables into the future and other energy sources into the future so it makes sense for this country and its consumers and this country's security.

As I said earlier, with countries such as Venezuela, Russia, and Saudi Arabia

determining our energy future, that is no way to run a country. We need to address our energy problems, and we need to do it together today by all of us giving a little bit to find common ground to move forward.

As we move across the next 57 days to the election, we ought to forget about it. We ought to forget about the election and do what is right for this country and develop a short-term and long-term energy plan that addresses current demand, future demand, affordability, and sustainability. Thirty years from now, I don't want to see a Senator standing up on this floor holding this book up saying: In 2008 we had this same problem, and we need to deal with it today.

We need to deal with it now in 2008, this fall. We cannot blow this one.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire.

ORDER OF PROCEDURE

Mr. GREGG. Mr. President, I ask unanimous consent to speak in morning business for 15 minutes, and after I have completed my speech, Senator CORNYN be recognized for 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from New Hampshire is recognized for 15 minutes.

Mr. GREGG. I ask the Chair to notify me when I have used 10 minutes.

FISCAL RESPONSIBILITY

Mr. GREGG. Mr. President, yesterday the CBO gave us their estimates of what the deficit is going to be and what the deficit for next year will be, and it is not good news. The deficit has more than doubled. It is projected now to be \$407 billion. That is up from about \$160 billion. That has all occurred under the leadership of this Democratic Congress. Obviously, the administration takes significant responsibility, but the Congress, under the law, under the Constitution, controls the purse strings, and the Congress has the control over the check writing of the Government. As a result, the first responsibility for fiscal restraint and fiscal discipline is with the Congress, and it has failed that test.

It is hard to imagine how the deficit could jump this much in this short period of time. Most people will say it is the result of the war—or people on the other side will say that. It is not. This jump in the deficit, to the extent it was controllable from the Federal Government's standpoint—in other words, it wasn't caused by the slowdown in the economy—was purely a function of increased spending on nondefense—not purely but was significantly increased by spending on nondefense activities and a dramatic increase in spending.

The problem is that not only is this deficit now at \$400 billion and going up